

HOUSE BILL NO. 32

INTRODUCED BY A. OLSON, SLITER

A BILL FOR AN ACT ENTITLED: "AN ACT SUBMITTING TO THE QUALIFIED ELECTORS OF MONTANA AN AMENDMENT TO ARTICLE IX, SECTION 5, OF THE MONTANA CONSTITUTION TO REDUCE THE AMOUNT OF COAL SEVERANCE TAX DEDICATED TO THE TRUST FUND TO 25 PERCENT AND TO REQUIRE THE LEGISLATURE TO DEDICATE NOT LESS THAN ONE-FOURTH OF THE COAL SEVERANCE TAX TO FUNDING THE BASIC ELEMENTARY AND SECONDARY SCHOOL SYSTEM; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Article IX, section 5, of The Constitution of the State of Montana is amended to read:

"Section 5. Severance tax on coal -- trust fund. (1) The legislature shall dedicate not less than one-fourth (1/4) of the coal severance tax to a trust fund, the interest and income from which may be appropriated. The principal of the trust shall forever remain inviolate unless appropriated by vote of three-fourths (3/4) of the members of each house of the legislature. ~~After December 31, 1979, at least fifty percent (50%) of the severance tax shall be dedicated to the trust fund.~~

(2) The legislature shall dedicate not less than one-fourth of the coal severance tax to funding the basic elementary and secondary school system."

NEW SECTION. **Section 2. Effective date.** This act is effective on approval by the electorate.

NEW SECTION. **Section 3. Submission to electorate.** This amendment shall be submitted to the qualified electors of Montana at the general election to be held in November 2002 by printing on the ballot the full title of this act and the following:

[] ~~FOR reducing coal severance taxes dedicated to the trust fund and using a corresponding amount to fund the basic elementary and secondary school system~~ DEDICATING A PORTION OF COAL SEVERANCE TAXES TO FUND BASIC ELEMENTARY AND SECONDARY SCHOOLS AND CORRESPONDINGLY REDUCING THE FLOW OF TAXES TO THE TRUST FUND.

1 [] ~~AGAINST reducing coal severance taxes dedicated to the trust fund and using a corresponding~~
2 ~~amount to fund the basic elementary and secondary school system~~ DEDICATING A PORTION OF
3 COAL SEVERANCE TAXES TO FUND BASIC ELEMENTARY AND SECONDARY SCHOOLS AND
4 CORRESPONDINGLY REDUCING THE FLOW OF TAXES TO THE TRUST FUND.
5 - END -